

IN THE DEBTS RECOVERY TRIBUNAL – II AT CHENNAI

Dated this 22nd day of July, 2026

PRESENT: SHRI SHARANG DHAR UPADHYAY
Presiding Officer

TSA No.109 of 2023

(Originally filed before DRT-I Chennai as SA No.155 of 2022 and thereafter transferred to this Tribunal and renumbered as TSA No.109 of 2023)

1. Yegneshwaran.P
S/o. Parthasarathi
Residing at
No.4, Renganayagi Ammal Street,
Poonthottam, Velapadi,
Vellore – 632 001
2. Prabavathy.S
W/o. Yegneshwaran
Residing at
No.4, Renganayagi Ammal Street,
Poonthottam, Velapadi,
Vellore – 632 001
3. Vasantha.P
W/o. Parthasarathi
Residing at
No.4, Renganayagi Ammal Street,
Poonthottam, Velapadi,
Vellore – 632 001
4. The Indian Coffee Co.
No.27/G, Officers Line,
Vellore-632001

...Applicants

Versus

The Authorised Officer,
Cholamandalam Investment and Finance Company Ltd.,
Dare House, 2, N.S.C. Bose Road,
Parrys, Chennai- 600 001

...Respondent

**ORDERS ON THE AFFIDAVIT FILED BY THE
APPLICANTS REGARDING CONTEMPT BY RESPONDENT**

1. This SA has been filed by the applicants challenging the Possession Notice dated 03.02.2022 issued by the respondent.
2. The SA was initially taken up for hearing on 06.05.2022, on which date Ld. Counsels appearing on behalf of both the parties were present and hence the case was adjourned to 28.07.2022 for counter of the respondent. Thereafter, when the matter came up for hearing on 06.11.2023, this Tribunal directed the respondent to maintain status quo till next hearing date. When the case came up on 05.01.2024, the applicant submitted that despite the status quo order of this Tribunal vide order dated 6.11.2023, the respondent had moved the Ld. Chief Judicial Magistrate by filing application under Section 14 of the SARFAESI Act and filed a memo in Dy No.189 of 2024 dated 05.01.2024.
3. In reply, to the same the respondent also filed a memo on 23.1.2024 vide Dy No.662 of 2024. It is stated therein that the petitioner under Section 14 was filed before the Ld. CJM, Vellore as early as on 21.11.2022 and the same was assigned filing number as No.17066 of 2022 on the said date. After scrutiny, on 20.12.2023, the Registry had merely taken the petition on file and assigned the registration number as Crl. M.P. No.16965 of 2023 and automatically posted before the Ld. Judge for first hearing. In support of the same the respondent produced

the case status downloaded from the website of the court. It is also stated that the respondent neither took any steps at the Registry to list the aforesaid case for hearing during the subsistence of the order of status quo for was any representative of the respondent before the CJM, Vellore on the aforesaid hearing date. It is further stated on the next date of hearing the Ld. CJM, Vellore on 19.01.2024 the respondent has duly represented that there is an order of status quo granted by the Tribunal and consequently sought an adjournment of any further proceedings. It is stated that the respondent neither violated the interim order passed by this Tribunal, willfully or otherwise, nor intended to suppress any material facts, especially relating to the interim orders passed by this Tribunal.

4. The case again came up on 12.12.2025, on which date the Ld. Counsel for applicant submitted that the averment in Para 5 of the reply is fully false and liable for taking action for filing wrong affidavit and that a detailed memo has been filed vide Dy No.1554 of 2024 dated 21.02.2024.

5. The contention of the applicants in Memo Dy No.1554 of 2024 are as follows: -

(a) The applicants originally filed SANO. 155 of 2022 on the file of DRT-I, Chennai challenging the Possession Notice dated 03.02.2022

issued by the defendant and the same stood transferred to this Tribunal and renumbered as TSA No. 109 of 2023.

(b) During the pendency of the above proceedings by an order dated 06.11.2023 this Tribunal was pleased to pass the following order of STATUS QUO in the above case.

“...Counsel for both side present, Respondent is directed to maintain Status Quo till next posting date. Post this matter on 05.01.2024 for further proceedings...”

(c) The applicant was shocked to know that the defendant herein contrary to the order of this Tribunal dated 06.11.2023 has moved the Learned Chief Judicial Magistrate, Vellore on 20.12.2023 in Crl.M.P.No. 16965 of 2023 and proceeding with the petition under Section 14 of the Act and the same was posted to 19.01.2024 for enquiry.

(d) The applicant was therefore constrained to file a memo on 05.01.2023 before this Tribunal praying to initiate contempt proceedings against the respondent.

(e) When the above Crl.M.P.No. 16965 of 2023 on the file of the Learned CJM, Vellore on the hearing date 19.01.2023 the applicant appeared as the applicants counsel could not appear due to Local Bar Advocate strike. The Learned CJM recording my presence posted the case to 02.03.2024.

(f) In the meantime, the respondent filed a reply memo on 23.1.2024 stating therein that they had already filed a petition U/s.14 of the Act as early as on 21.11.2022 and the same was numbered after scrutiny on 20.12.2023 and further submitted that the registry had merely taken the petition on the file of Learned CJM, Vellore and assigned the registration number Crl.M.P.No. 16965 of 2023 and automatically posted before the Learned CJM for hearing.

(g) After the verification of the records by my local counsel as the above Crl.M.P. was returned on 20.11.2023 and it was subsequently represented on 29.11.2023 and was posted before the court on 12.12.2023 for check and call on 12.12.2023 in open court and subsequently it was numbered and posted for enquiry on 19.01.2024. Thereafter this Tribunal posted the case on 01.02.2024 by extending the interim order.

(h) A perusal of the certified copy of the application filed under Section 14 in Crl.M.P.No. 16965 of 2023 reveals that the application was not merely and automatically numbered and that too after filing on 21.11.2022 nearly taking more than one year as alleged by the defendant in their reply memo dated 22.01.2024, but it is clear that the application was filed as early as on 21.11.2022 and there were numerous returns made by the registry as much as between 21.11.2022 to 29.11.2023 and the defendant themselves were protracting the same.

(i) After passing the interim order of Status quo by this Tribunal 06.11.2023 the defendant herein has chosen to proceed with the same for the return on 20.11.2023 then it was subsequently represented on 29.11.2023 within a period of 9 days, while a perusal of other returns which were complied with after 3 months, 4 months from the date of such return, but the above return of the very application on 20.11.2024 was represented immediately on 29.11.2023. Thus, without any serious efforts of the defendant it was not at all possible to number the same which was filed one year ago and that too within a short period of 9 days from the date of last representation on 29.11.2023. Hence it is needless to state that the defendant herein acted intentionally with lack of bonafides and hurriedly moved with a view to dispossess the applicant. Furthermore, it is needless to state that in the event of any dispossession the above appeal will become infructuous.

(j) The applicant is shocked to know that the defendant herein has filed a false affidavit in the above Crl.M.P.No. 16965 of 2023 by stating in his affidavit dated 18.11.2022 at para 3 which reads as follows:

“.....3. I state that to our knowledge neither there is No Stay and No Agricultural Land before any courts and Tribunals nor we in receipt of any notice of any proceedings initiated by the respondent-borrower before debt Recovery Tribunals or any other Tribunals and Courts.....”

(k) Admittedly the originally SA No. 155 of 2022 was filed on 29.03.2022 itself and defendant after receiving notice entered appearance on 28.07.2022, but deliberately and intentionally suppressed the same and went to the extent of filing false affidavit dated 18.11.2022 and that too before the Learned CJM.

(l) The above absolutely amounts to contempt of court both before this Tribunal and also before the Learned CJM, Vellore.

(m) The applicant brought it to the notice of this Tribunal about the deliberate violation committed by the defendant by proceeding with Section 14 application which was filed on 21.11.2022 and faced numerous returns between 21.11.2022 to 20.11.2023, then it was subsequently represented on 29.11.2023 within a period of 9 days during the order of status quo dated 06.11.2023 granted by this Tribunal is in force besides, deliberately suppressing the pendency of the above appeal before this Tribunal and that too by swearing a false affidavit dated 18.11.2022 before the Learned CJM, Vellore.

(n) It is therefore prayed that this Tribunal may be pleased to accept the affidavit and take necessary and appropriate contempt action as against the defendant herein and thereby render justice.

6. Heard the Ld. Counsel for the applicant and the respondent on the Memo filed vide Dy No.1554 of 2024.
7. The principal grievance of the applicants is that the respondent has willfully violated the order of **status quo** passed by this Tribunal on 06.11.2023 by pursuing the proceedings under Section 14 of the SARFAESI Act before the Learned Chief Judicial Magistrate, Vellore, and has further filed a false affidavit suppressing the pendency of the present Securitisation Application.
8. On the other hand, the respondent has categorically contended that the application under Section 14 of the SARFAESI Act had already been filed before the Learned Chief Judicial Magistrate, Vellore on 21.11.2022, much prior to the order of status quo passed by this Tribunal. According to the respondent, the petition remained under scrutiny in the Registry and was numbered only on 20.12.2023 by the Registry in its normal course. It is further submitted that the respondent had not taken any positive steps for listing the matter after the order dated 06.11.2023 and, on the contrary, informed the Learned Chief Judicial Magistrate regarding the subsistence of the status quo order on the subsequent hearing, seeking adjournment of further proceedings.
9. The certified copies and materials produced by the applicants reveal that the application under Section 14 underwent several returns and representations before it came to be numbered. Though the applicants

contend that the respondent represented the papers on 29.11.2023 with unusual promptitude after the status quo order dated 06.11.2023, the mere fact of representation of returned papers, by itself, cannot automatically lead to the conclusion that the respondent had committed a deliberate or willful violation of the order of this Tribunal. The materials placed on record do not establish that, after 06.11.2023, the respondent proceeded to obtain any order for taking physical possession or otherwise acted in defiance of the status quo order passed by this Tribunal.

10. It is a settled principle that before a party can be proceeded against for contempt, the disobedience complained of must be willful, deliberate and intentional. The standard required for initiating contempt proceedings is considerably higher than that applicable to adjudication of civil disputes. Mere suspicion, inference or procedural acts which do not result in violation of the operative directions of the Tribunal would not constitute contempt.
11. The further allegation of the applicants relates to the statement contained in paragraph 3 of the affidavit filed in the proceedings under Section 14 that, to the deponent's knowledge, no proceedings were pending before any Tribunal or Court. The respondent submits that the said affidavit was sworn on 18.11.2022 and that there was no deliberate intention to suppress the proceedings before this Tribunal. Whether the statement made therein is factually incorrect or amounts to suppression

is an issue which can appropriately be urged before the forum where such affidavit has been filed. Any alleged false statement made before the Learned Chief Judicial Magistrate is a matter to be considered by that Court in accordance with law. This Tribunal cannot assume jurisdiction to initiate proceedings in respect of an affidavit filed before another judicial forum merely on the allegation that the contents thereof are incorrect.

12. In so far as the allegation of violation of the order dated 06.11.2023 is concerned, this Tribunal is of the considered view that the materials available on record do not disclose any willful or deliberate disobedience of the said order warranting initiation of contempt proceedings. The respondent has also stated that the order of status quo was brought to the notice of the Learned Chief Judicial Magistrate and no coercive action was pursued thereafter. The applicants have not produced any material to establish that possession was taken or any further coercive steps were undertaken in contravention of the interim order of this Tribunal.
13. Accordingly, this Tribunal finds no sufficient ground to initiate contempt proceedings against the respondent on the basis of the affidavit and memo filed by the applicants. However, it is made clear that the observations made herein are confined only to the issue of alleged contempt and shall not prejudice the rights and contentions of either party in the adjudication of the Securitisation Application on merits.

14. In view of the foregoing, the following:

ORDER

The Memo filed by the applicants vide Dy. No.1554 of 2024 seeking initiation of contempt proceedings is, therefore, **dismissed**. No order as to costs.

Sd/-
(SHARANG DHAR UPADHYAY)
PRESIDING OFFICER
DRT-II, CHENNAI

(Dictated to PS, who typed in the system directly, corrected, signed and pronounced by me in Open Court, on this 22nd day of July, 2026)